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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
3 -----x

4 UNITED STATES OF AMERICA,

5 v.

6 21 CR 579 (PGG)

7 GEORGE ILOULIAN,

8 Defendant.

9 -----x
10 New York, N.Y.
11 April 11, 2023
12 3:30 p.m.

13 Before:

14 HON. PAUL G. GARDEPHE,

15 District Judge

16 APPEARANCES

17 DAMIAN WILLIAMS
18 United States Attorney for the
19 Southern District of New York
20 BY: KAYLAN LASKY
21 Assistant United States Attorney

22 HADASSA R. WAXMAN
23 Attorney for Defendant

24 ALSO PRESENT:
25 HANNAH SILVERMAN
26 PORTIA PROCTOR

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1 (Case called)

2 THE DEPUTY CLERK: Counsel for the government, please
3 state your appearance.

4 MS. LASKY: Good afternoon, your Honor.

5 Kaylan Lasky for the government.

6 THE COURT: Counsel for the defendant, please state
7 your appearance.

8 MS. WAXMAN: Good afternoon, your Honor.

9 Hadassa Waxman for Mr. Iloulian. Joining me at
10 counsel table are two associates from my law firm, Hannah
11 Silverman and Portia Proctor.

12 THE COURT: All right. This matter is on my calendar
13 for purposes of sentencing.

14 In preparation for sentencing I have read the
15 presentence report, which is dated January 24, 2023. I have
16 read defense submissions dated February 2, 2023, including
17 letters from the defendants' friends and family. I also read
18 the government's submission dated February 10, 2023. I have
19 read letters from the defense and the government dated
20 March 24, 2023. Also, the government letter dated April 7,
21 2023, and a letter from defense counsel dated April 10, 2023.

22 I have also read letters from Hamid Lahijani,
23 H-a-m-i-d L-a-h-i-j-a-n-i. His letter is dated March 10, 2023,
24 and April 7, 2023. Mr. Lahijani is the relater in a key False
25 Claims Act case against the defendant pending before me, *United*

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1 *States, ex rel. Lahijani v. Delta Uniforms, Inc. and George*
2 *Iloulian*, 19 CV 3290, and his letters were filed on the civil
3 case docket.

4 Ms. Waxman, have you read the presentence report and
5 its recommendation and discussed it with Mr. Iloulian?

6 MS. WAXMAN: I have, your Honor.

7 THE COURT: Mr. Iloulian, have you read the
8 presentence report, representation, and discussed it with
9 Ms. Waxman?

10 THE DEFENDANT: Yes, your Honor.

11 THE COURT: Ms. Waxman, do you have any objections to
12 the factual portions of the presentence report?

13 MS. WAXMAN: We do not, your Honor.

14 THE COURT: Does the government have any objections to
15 the factual portions of the presentence report?

16 MS. LASKY: Your Honor, there is a spot on page 24 of
17 the recommendation from probation in which it refers to the
18 incorrect forfeiture number. It's correctly referenced
19 elsewhere.

20 THE COURT: Right.

21 So on page 24, there is a reference to a forfeiture
22 number of \$789,195.35. It is my understanding that the parties
23 agree that the correct forfeiture number is \$249,000, is that
24 correct?

25 MS. LASKY: Yes, your Honor.

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1 MS. WAXMAN: Yes, your Honor, it is.

2 THE COURT: All right. So that change will be made to
3 the presentence report, page 24. The forfeiture amount will be
4 corrected from \$789,195.35 to \$249,000.

5 Other than that change with respect to the
6 typographical error about the forfeiture amount, I hereby adopt
7 the factual statements set forth in the presentence report.

8 Before I continue, let me address the two letters that
9 I referenced from Hamid Lahijani, as I noted, is the relater in
10 a False Claims Act case against the defendant. In a March 10,
11 2023, letter Lahijani suggests that the defendant has engaged
12 in fraudulent customs duties related activity after the filing
13 of the indictment in this case. Citing the March 10, 2023
14 Lahijani letter filed as docket number 15 in 19 CV 3290.

15 Mr. Lahijani's allegations relate to his purchase of
16 Delta Uniforms clothing in February and March of 2023. Delta
17 Uniforms is the defendant's company, and the clothing did
18 not -- the clothing label did not accurately reflect the fabric
19 content. In his March letter, Lahijani writes that, "it seems
20 highly likely that [the clothing was] imported after the filing
21 of the indictment in this case on September 20, 2021, and
22 probably after the time that Mr. Iloulian pled guilty on
23 July 26, 2022." Citing the March 10, 2023 letter I made
24 reference to earlier at page three. Mr. Lahijani goes on to
25 assert that, "Mr. Iloulian is likely continuing to engage in at

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1 least the fabric-type fraud alleged in the case." *Id.*

2 Given these serious allegations, I directed the
3 government and the defense to respond to Mr. Lahijani's letter.
4 Citing the March 11, 2023 order, docket number 54. The
5 government and the defense filed their responses to my order on
6 March 24, 2023, citing docket numbers 55 and 56. In its
7 submission, the government states, "The merchandise described
8 by the relater in support of his allegations appears to have
9 been imported before the indictment was returned. Therefore,
10 contrary to the relater's intention, the relater's information
11 does not indicate that the defendant had continued to engage in
12 the fabric-type fraud." Citing the March 24, 2023, government
13 letter, docket number 55 at page one.

14 The government states that it "investigated the
15 relater's allegations" by "purchasing [the same pants the
16 relater had at one of the stores] to verify the information
17 that the relater described."

18 "Testing the fabric composition of [these] pants,"
19 "obtaining records from the U.S. Customs and Border Protection
20 and Delta's customs broker relating to recent inbound shipments
21 associated with Delta and/or the defendant," and "collecting
22 records relating to [both stores'] business dealings with Delta
23 and/or the defendant." *Id.* at pages one through two.

24 The government states that, though, "The U.S. Customs
25 and Border Protection laboratory also found that the [pants the

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1 government bought] were 100 percent polyester." This finding
2 does not indicate post-indictment fraud by Mr. Iloulian
3 because, based on the customs and store records the government
4 reviewed, the pants the relater purchased from both stores "are
5 from a shipment that was exported from Pakistan on or about
6 September 10, 2021" and the shirt relater purchased "came from
7 an even earlier shipment." *Id.* at page two at note one.

8 The indictment in this case was filed on September 20,
9 2021. Citing docket number one. Therefore, the government
10 concludes that the charges were filed "after the export date of
11 these items [so] the relater's information does not support the
12 relater's allegation that the defendant has continued to engage
13 in the fabric-type fraud since being charged." *Id.* at page two.

14 The defense agrees that the clothing cited by
15 Mr. Lahijani was either imported on September 10, 2021, or
16 before that date. Citing the March 24, 2023 defense letter,
17 docket number 56 at page one. As a result, I conclude that
18 there is no evidence that the defendant has engaged in the same
19 type of fabric-based customs fraud since the indictment was
20 filed in this case.

21 Turning to the sentencing guidelines. Although I'm
22 not required to impose sentence in accordance with the
23 sentencing guidelines, I am required to consider what the
24 guidelines recommend.

25 Here, Mr. Iloulian pled guilty to conspiracy to commit

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1 wire fraud. The base offense level for this offense is seven
2 because the loss amount was more than \$150,000, but less than
3 \$250,000. His offense level is increased by ten levels.

4 Mr. Iloulian's offense level was reduced by three levels for
5 acceptance of responsibility, resulting in a total offense
6 level of 14. Mr. Iloulian has no prior convictions, he
7 therefore falls within criminal history category I.

8 Before proceeding further, let me address another
9 letter I received from the government on or about April 7.
10 In that letter the government states that Mr. Lahijani had
11 notified the government about a July 11, 1996, arrest of a
12 person named George Iloulian in the Southern District of
13 California. According to the government's letter, the
14 complaint was dismissed with prejudice on October 16, 1996.
15 The government was not able to determine whether the George
16 Iloulian named in the complaint is the same person as the
17 defendant. In any event, the charge did not result in a sort
18 of conviction, and an arrest standing alone is proof of
19 nothing. Accordingly, I will give no weight to this report in
20 determining the defendant's sentencing.

21 Returning to the guidelines, offense level 14 and
22 criminal history category I results in a guidelines range of
23 15 to 21 months' imprisonment.

24 Ms. Waxman, does the defendant have any objection to
25 the accuracy of the guidelines calculations as I have reported

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1 them?

2 MS. WAXMAN: No, your Honor.

3 THE COURT: Does the government have any objection to
4 the accuracy of the guidelines calculations as I have reported
5 them?

6 MS. LASKY: No, your Honor.

7 THE COURT: Based on my independent evaluation of the
8 sentencing guidelines, I find that the total offense level is
9 14, the criminal history category is I, and the recommended
10 sentence under the guidelines is a sentence between 15 and
11 21 months' imprisonment.

12 I'll hear from you, Ms. Waxman, as to an appropriate
13 sentence.

14 MS. WAXMAN: Thank you, your Honor.

15 First, I would like to thank the government for its
16 thoughtful approach and consideration on this matter. With
17 respect to sentencing, your Honor, we respectfully request that
18 the court follow probation's recommendation and impose a
19 sentence of time served to be followed by a period of
20 supervised release.

21 In making this request, your Honor, we are mindful of
22 the seriousness of the crime. Indeed, I expect when
23 Mr. Iloulian addresses the court shortly, he will express his
24 deep regret and apologize to the court for his errors and for
25 his previous misconduct. As your Honor might recall, within

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1 minutes of Mr. Iloulian's arrest, he made a full post-arrest
2 statement in which he admitted his conduct and he also
3 expressed deep regret.

4 Any delay in scheduling his guilty plea -- I
5 understand this case has been on the court's docket for many,
6 many months -- the delay was not on Mr. Iloulian at all. It
7 was the result of the lawyers who were reviewing the discovery
8 to determine what the correct loss amount was. And during
9 those negotiations, Mr. Iloulian continued to press us to
10 schedule his plea because he wanted to accept responsibility
11 before your Honor, move on with his life, and make amends.

12 With respect to our request that your Honor impose a
13 sentence of time served, we set forth those reasons in our
14 sentencing submission that we know your Honor has carefully
15 reviewed and we won't repeat those. But if I may just take a
16 few moments to elaborate on some of those reasons here.

17 First, in making its recommendation, the probation
18 department recognized Mr. Iloulian's rather extraordinary life
19 beginning from the time when he was just 17, when he escaped
20 antisemitism in Iran, coming to the U.S. literally without a
21 penny, without the ability to speak English, and without an
22 education.

23 Probation recognized that Mr. Iloulian has lived a
24 productive and meaningful life in the United States. He built
25 a family, a very loving, close family. He built a business.

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1 He became the father of three children, one of whom is his
2 stepson who Mr. Iloulian has taken on as his own. He's now the
3 proud grandfather of two young boys.

4 Mr. Iloulian also sponsored members of his family who
5 remained in Iran facing religious persecution and helped bring
6 them to the United States, where they now live safely as a
7 result of Mr. Iloulian's efforts.

8 Probation further recognized in making its
9 recommendation that Mr. Iloulian is committed to his elderly
10 and ailing mother, that he helps support her financially, and
11 that he helps support his children financially.

12 Probation further recognized that Mr. Iloulian is a
13 64-year-old man. He is in failing health. That this is his
14 first interaction with law enforcement, that he has done good
15 work for his community, that he has been completely compliant
16 during his pretrial release, that he is a man of faith, that he
17 raised children of faith, and is now helping to raise his
18 grandchildren within the Jewish traditions.

19 As probation concluded, the history and
20 characteristics of Mr. Iloulian militate here in favor of
21 leniency, and we would again respectfully request that the
22 court adopt that conclusion. I'll also note, of course, that
23 the government here has recommended that your Honor impose a
24 sentence below the guidelines.

25 Second, with respect to specific deterrence, this case

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1 has literally destroyed Mr. Iloulian's family and his business.
2 Has brought shame to himself, his wife, and his three children.
3 Having experienced the pain and trauma of monumental negative
4 life changes resulting from his misconduct, I would submit,
5 your Honor, that there is nearly zero chance that Mr. Iloulian
6 will ever recidivate.

7 Just to give your Honor some background, the relater
8 is a close cousin of the Iloulians, who Mr. Iloulian brought
9 into the business as a full partner when the relater was down
10 on his luck and was desperate for some income. The relater
11 fully participated in the conduct charged, and since
12 Mr. Iloulian's arrest, based on the statements of the relater,
13 what was once a very close-knit, large extended family has been
14 in complete turmoil, which has caused not only Mr. Iloulian and
15 his wife great pain, but also the rest of the family.

16 In addition, he lost all but lost his business, though
17 Mr. Iloulian is doing whatever he can to restore his business
18 so he can fulfill his obligation to his family, and also his
19 obligations to the government that would be forthcoming. You
20 know, a man of 64 with limited mobility and energy, due to
21 serious health issues, that's not an easy feat.

22 Your Honor, I would make the obvious point that an
23 incarcerated sentence will make it really impossible for
24 Mr. Iloulian to rebuild his business and earn an income, which
25 will of course, in part, going to paying his restitution in

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1 this case.

2 With respect to general deterrence, Mr. Iloulian's
3 arrest has achieved just that. The community in which he works
4 in the Garment District is small, and Mr. Iloulian has been a
5 prominent member of that community for literally decades. His
6 colleagues, his business partners, his competitors have seen
7 the impact of this case on Mr. Iloulian's family and business,
8 and understand that were they to engage in the same misconduct,
9 their livelihoods would also be at grave risk.

10 Just a few words on Mr. Iloulian's health, which we
11 noted in our papers. He is not a well man. As your Honor is
12 aware, he has hypertension, high cholesterol, suffers from
13 shortness of breath, fatigue. He takes a slew of medications,
14 he has had heart surgery. He also has a pinched nerve for
15 which he receives monthly treatments. And prison, I
16 respectfully submit, your Honor, would be much harder for
17 Mr. Iloulian than the average man.

18 I wanted to note also that Mr. Iloulian's family
19 members, including his wife, his elderly mother, his sisters,
20 his children, his grandchildren, wanted to come today to
21 support him, but he insisted that they not come because he
22 didn't want to burden them and upset them more than he already
23 has. But they are all here in spirit and wanted me to
24 communicate to your Honor that they are eager and anxious to
25 get their father, grandfather, husband home so that they can

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1 begin to repair their broken family.

2 Your Honor, for all of these reasons, we respectfully
3 request that the court follow probation's recommendation and
4 impose a sentence of time served. With that, I'll rest on our
5 memo and obviously will be happy to answer any of the court's
6 questions.

7 THE COURT: All right. Mr. Iloulian, is there
8 anything you wish to say before the court imposes sentence?

9 You can remain seated, sir, and please pull the
10 microphone close to you so the court reporter can take down
11 what it is you say.

12 MS. WAXMAN: Sorry, we have to...

13 THE DEFENDANT: Your Honor, thank you for your time
14 overseeing this case and considering the memo and letters
15 submitted on my behalf. I sincerely accept full and complete
16 responsibility for my action. There is no excuse for my
17 conduct. I am sorry to the court, the government, and most of
18 all my wife, my children, and my mother. I recognize the
19 damage I have caused and the pain I have put to those closest
20 to me through.

21 I am ashamed and embarrassed that I stand before you
22 today. I know I can never fully right each wrong that lead me
23 here. Nonetheless, I have plans for the future for myself and
24 my family, and to raise the money to pay back every cents I owe
25 to the government.

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1 Your Honor, I'm 64 years old and I have several
2 medical conditions. From today on, my future is in God's
3 hands. I can take care of my family and what I owe to the
4 government. I respect whatever decision your Honor makes, but
5 I sincerely hope that I can spend those years repairing the
6 harm that I have caused outside of the prison.

7 Thank you, again, for your time and consideration.

8 THE COURT: All right. I'll hear from the government.

9 MS. LASKY: Your Honor, the government has set forth
10 its position in the letters that are before the court. I would
11 rest on those submissions. Of course, if the court has any
12 questions, happy to answer those.

13 THE COURT: All right. In deciding upon an
14 appropriate sentence, I have considered all the factors listed
15 in Title 18, United States Code, Section 3553(a), including the
16 nature and circumstances of Mr. Iloulian's offense, his
17 personal history and characteristics, the need for the sentence
18 imposed to reflect the seriousness of the offense, the need to
19 promote respect for the law, to provide just punishment, and to
20 afford adequate deterrence to criminal conduct.

21 Beginning with the nature and circumstances of the
22 offense. Mr. Iloulian owned and operated a business through
23 which he sold medical and chef uniforms. He bought the
24 uniforms from Asian manufacturers and sold them in the United
25 States. Between 2010 and 2020, he submitted false invoices to

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1 the U.S. Customs and Border Protection, which I allowed him to
2 underestimate the value of the goods he imported, and thus to
3 avoid paying customs duties. He successfully avoided paying
4 customs duties amounting to \$249,000.

5 Mr. Iloulian avoided the customs duties through the
6 use of two separate fraudulent schemes. The first involved the
7 use of double invoices. The defendant had actual invoices
8 which reflected the actual price that his company had paid for
9 the clothing purchased from overseas manufacturers, but he also
10 arranged for the preparation of phony invoices that were to be
11 given to U.S. Customs.

12 Those phony invoices reflected false and lower prices.
13 The defendant submitted the phony customs invoice to a customs
14 broker who in turn submitted the phony invoices to U.S.
15 Customs. The defendant's use of the phony invoices allowed him
16 to evade the customs duties. The defendant either asked the
17 overseas manufacturer to prepare two sets of invoices or he
18 simply fabricated the phony invoices himself.

19 The defendant's other fraudulent scheme involved lying
20 about the nature of the fabric he was importing. The defendant
21 would direct the overseas manufacturer to misstate in the
22 invoice the fabric used in the clothing that the defendant was
23 purchasing. The invoice would falsely state that the clothing
24 was made from a fabric that carried a lower duty rate. For
25 example, the phony invoice would say that the clothing was made

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1 from cotton when, in fact, it was made from polyester. The
2 phony invoice or false invoice would be submitted to U.S.
3 Customs and would result in a lower duty than would have
4 otherwise been the case if the true fabric had been reflected
5 in the invoice.

6 The parties agree that the defendant caused the
7 government a loss of \$249,000. As to the defendant's personal
8 history and characteristics, he is 64. He was born in Tehran.
9 His father was in the fabric business there. His father died
10 of cancer when the defendant was 16, and the defendant had to
11 work in order to support his family.

12 Work was extremely difficult because of pervasive
13 antisemitism. In 1979 at the age of 21, the defendant
14 immigrated to the United States. He received political asylum
15 because of the persecution suffered by Jews in Iran. As we
16 have heard, the defendants succeeded in bringing to the United
17 States other members of his family.

18 Mr. Iloulian has been married twice. The first
19 marriage ended in divorce. The second marriage has continued
20 for more than 22 years and has resulted in two children, now 21
21 and 19. The defendant also became the stepfather to his wife's
22 son. By all accounts, Mr. Iloulian has been an excellent son,
23 father, and husband, and I have read many letters of support
24 from members of his family as well as his friends.

25 As to education, Mr. Iloulian graduated from high

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1 school in Tehran. As to employment, for more than 20 years he
2 has owned and operated the clothing business which brings us
3 here today. As to medical condition, Mr. Iloulian suffered a
4 heart attack in 2012, and he has had a number of stints
5 inserted over the years. He takes blood thinners as well as
6 medication for high blood pressure and high cholesterol. There
7 is no history of substance abuse and Mr. Iloulian has no
8 criminal record.

9 As I noted, the guidelines recommend a sentence of
10 15 to 21 months' imprisonment. The probation department has
11 recommended a sentence of time served. The government seeks a
12 sentence below the guidelines range. The defendant seeks a
13 nonincarceratory sentence. With all of this in mind, I will
14 now describe the sentence I intend to impose, and I'll ask the
15 parties if there is anything further they wish to say.

16 The aggravating factors here are that the fraud scheme
17 went on for ten years and involved a substantial amount of
18 money - \$249,000. This scheme involved careful coordination
19 with the overseas manufacturers and the preparation of
20 countless fraudulent documents that were submitted to
21 U.S. Customs officials. Schemes of this sort are extremely
22 difficult to detect as demonstrated by the fact that this
23 scheme went on for ten years. They also create unfairness in
24 the marketplace because a business like the defendant's, that
25 cheats on customs duties, has a competitive advantage. This

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1 type of conduct encourages others to defraud the government.

2 Accordingly, when conduct of this sort is detected, it
3 must be harshly punished. General deterrence is an important
4 objective. As to mitigation, the defendant is 64 and has no
5 criminal record. He has a heart condition. Prison will be
6 more difficult for him than for a younger and a healthier man.
7 The defendant lost his father at a young age and then was
8 forced to flee his home land because of religious persecution.
9 He arrived in this country with nothing and became a successful
10 businessman. He has been a good family man.

11 Weighing the aggravating and mitigating circumstances,
12 I have concluded that a sentence below the guidelines range is
13 appropriate but that a sentence of incarceration is necessary.
14 I intend to impose a sentence of six months' imprisonment.

15 As to supervised release, I intend to impose a term of
16 one year on the following conditions:

17 Mr. Iloulian will not commit another federal, state,
18 or local crime;

19 He will not illegally possess a controlled substance;

20 He will not illegally use a controlled substance.

21 I intend to suspend the mandatory drug-testing
22 condition based on my determination that Mr. Iloulian presents
23 a low risk of future substance abuse.

24 Mr. Iloulian will cooperate in the collection of DNA
25 as directed by the probation officer, and he will make

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1 restitution as I will describe in a moment.

2 I intend to impose the standard conditions of
3 supervised release set forth in the presentence report along
4 with the following special conditions:

5 Mr. Iloulian will submit his person and any property,
6 residence, vehicle, papers, computer, other electronic
7 communication or data storage device, cloud storage or media
8 and effects to a search by any U.S. Probation Officer where
9 there is a reasonable suspicion that a violation of the
10 conditions of supervised release may be found. Failure to
11 submit to a search may be grounds for revocation. Mr. Iloulian
12 will warn any other occupants that the premises may be subject
13 to search pursuant to this condition. Any search shall be
14 conducted in a reasonable time and in a reasonable manner.

15 Mr. Iloulian will provide the probation officer with
16 access to any requested financial information and he will not
17 incur new credit charges or open additional lines of credit
18 without the approval of the probation officer.

19 Mr. Iloulian will be supervised by the district of his
20 residence.

21 I do not intend to impose a fine because, given
22 Mr. Iloulian's restitution/forfeiture obligations, a fine is
23 not appropriate.

24 I am required to impose a \$100 special assessment.

25 As to forfeiture, the parties have executed and I have

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1 signed a consent order of forfeiture that requires Mr. Iloulian
2 to forfeit \$249,000. As to restitution, the parties have
3 submitted a proposed consent order of restitution that provides
4 for Mr. Iloulian to make restitution to the United States in
5 the amount of \$249,000.

6 Ms. Waxman, is there anything further you wish to say?

7 MS. WAXMAN: Yes, your Honor.

8 To the extent when Mr. Iloulian is released from
9 incarceration on his supervised release, we would respectfully
10 request that he be permitted to have his passport back. He's
11 got graves that he would like to visit in Israel and family in
12 Jerusalem.

13 We would also request that he be permitted to travel
14 throughout the United States. As I mentioned, Mr. Iloulian is
15 desperately trying to rebuild his business. He's got prospects
16 in Florida, Missouri, Maryland, and other places, and we would
17 request that he be permitted to travel throughout the United
18 States for business purposes.

19 THE COURT: If you submit a letter seeking the return
20 of his passport at the appropriate time, as well as permission
21 to travel, I will sign the letter.

22 MS. WAXMAN: Thank you very much.

23 We would also request this Mr. Iloulian be able to
24 self-surrender.

25 THE COURT: What date do you have in mind?

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1 MS. WAXMAN: Your Honor, if I may just consult with my
2 client for one moment.

3 And also to be designated to a facility close to New
4 York to facilitate family visits, and also a location where he
5 would be able to receive the medication and other treatment
6 that he requires. Thank you.

7 If I may have a moment, your Honor?

8 THE COURT: Go right ahead.

9 (Counsel confers with defendant)

10 MS. WAXMAN: Your Honor, if I may have a few more
11 moments to confer with Mr. Iloulian?

12 The issues we're thinking about now that he's on the
13 verge of creating some business opportunities for himself,
14 there is also the Jewish holidays that happen in September, and
15 it would be, I think, a real challenge for him to observe the
16 holidays while incarcerated.

17 If I may just have another few moments, I would
18 appreciate that.

19 THE COURT: Sure.

20 MS. WAXMAN: Thank you.

21 (Counsel confers with defendant)

22 Your Honor, if I may respectfully request a period of
23 six months so he can attend to business issues and also be home
24 for the high holidays which occur in September?

25 THE COURT: What's the government's position?

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1 MS. LASKY: No objection, your Honor.

2 THE COURT: All right. So today is April 11, so six
3 months would bring us to October 11. I'll provide for a
4 surrender date of October 11.

5 Anything else, Ms. Waxman?

6 MS. WAXMAN: No, your Honor.

7 THE COURT: Mr. Iloulian, anything further you wish to
8 say?

9 THE DEFENDANT: No, your Honor. Thank you.

10 THE COURT: Anything else from the government?

11 MS. LASKY: Your Honor, the government would move to
12 dismiss the open counts.

13 THE COURT: That motion is granted.

14 MS. LASKY: And I apologize, I may have missed this.
15 I know that the court had stated that there was a restitution
16 order that had been submitted by the parties.

17 THE COURT: I actually haven't finished imposing the
18 sentence yet.

19 MS. LASKY: I apologize, your Honor.

20 THE COURT: That's OK.

21 Mr. Iloulian, for the reasons I just stated, it is the
22 judgment of this court that you be sentenced to six months'
23 imprisonment and one year of supervised release. Your term of
24 supervised release will be subject to the mandatory standard
25 and special conditions just mentioned.

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1 As set forth in the consent order of forfeiture, you
2 are ordered to forfeit \$249,000 to the government. As set
3 forth in the consent order of restitution, you are ordered to
4 make restitution in the amount of \$249,000 to the U.S. Customs
5 and Border Protection. You're also ordered to pay a special
6 assessment in the amount of \$100.

7 I do recommend to the Bureau of Prisons that
8 Mr. Iloulian be incarcerated as close as possible to the New
9 York Metropolitan area so that he may maintain ties with his
10 family and friends during his period of incarceration. Of
11 course the facility to which he is designated is one that is
12 capable of providing the medication and treatment necessary for
13 his heart condition.

14 Mr. Iloulian will be permitted to voluntarily
15 surrender. The surrender date will be October 11 at 2:00 p.m.
16 I expect that Mr. Iloulian will be designated to an
17 institutional that point. However, if for some reason he has
18 not been designated, he will surrender to the U.S. Marshal.
19 This district by two o'clock on October 11.

20 Mr. Iloulian, were you not to surrender on that a date
21 by that time, you would be committing a separate federal
22 offense for which you could receive a separate and consecutive
23 sentence.

24 I am required to advise you of your appeal rights.
25 You can appeal your conviction if you believe that your guilty

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1 plea was unlawful or involuntary or if there was some other
2 fundamental defect in the proceedings that was not waived by
3 your guilty plea. You also have a statutory right to appeal
4 your sentence under certain circumstances. With few
5 exceptions, any notice of appeal must be filed within 14 days
6 of judgment being entered in your case. The judgment will
7 likely be entered tomorrow.

8 Ms. Waxman will discuss with you whether or not you
9 wish to file a notice of appeal. If you are not able to pay
10 the cost of an appeal, you may apply for leave to appeal
11 *in forma pauperis*. If you request, the Clerk of Court will
12 prepare and file a notice of appeal on your behalf.

13 Ms. Lasky, anything else from the government?

14 MS. LASKY: No, your Honor.

15 THE COURT: Ms. Waxman, anything else from the
16 defense?

17 MS. WAXMAN: Yes, your Honor, just one more request.

18 It just occurred to me that if your Honor could also
19 recommend that Mr. Iloulian be sent to a facility where he
20 can receive kosher food.

21 THE COURT: I assume that is available in any
22 institution in the United States.

23 But yes, I will recommend to the Bureau of Prisons
24 that he be designated to an institution that will offer him
25 kosher food.

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1 MS. WAXMAN: Thank you.

2 THE COURT: If there is nothing else, we're adjourned.

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